



CONSENT TO MORTGAGE AGREEMENT
for
STATE OF IDAHO
GRAZING / CROPLAND LEASE No(s) _____

The undersigned LESSEE OF RECORD of the listed lease(s) of state lands contained in Schedule A, hereby requests the State Land Director to consent to a mortgage of the lease(s) as listed to: _____
_____, hereinafter called the LENDER.

It is understood and agreed that the lessee's leasehold interest under the listed lease(s) in Schedule A will secure a loan made or guaranteed by the BORROWER/LESSEE OF RECORD in the amount of \$_____.

ACCEPTANCE AND ASSUMPTION BY LESSEE OF RECORD:

I/We hereby swear and affirm that the consideration stated herein is the full and complete amount paid by the LENDER to the LESSEE OF RECORD, and no additional payment has been or will be made.

STATE OF _____)
: ss.
County of _____)

(Signature Lessee Of Record)

(Signature Lessee Of Record)

On this _____ day of _____ in the year _____ before me a Notary Public, in and for the State of _____ personally appeared _____ and acknowledged to me that _he_ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Notary Public

Residing at

My Commission Expires

Consent To Mortgage Agreement Approved:

STATE OF _____)
: ss.
County of _____)

(Signature Department of Lands Representative)

On this _____ day of _____ in the year _____ before me a Notary Public, in and for the State of Idaho personally appeared _____ and acknowledged to me that _he_ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Notary Public

Residing at

Commission Expires

The consent to mortgage hereinabove granted is subject to the following conditions, noncompliance with which entirely voids the consent given herein:

1. The LENDER cannot acquire any interest greater than the lessee has under the listed lease(s) and said LENDER'S interest is specifically subject to any interest of the State of Idaho under said lease(s).
2. The Consent to Mortgage Agreement shall expire simultaneously with the subject lease(s) expiration.
3. The BORROWER/LESSEE OF RECORD may, at no expense to the State of Idaho, record the described mortgage in the office of the County Recorder in which such mortgage property is situated. Satisfaction or discharge of said mortgage may be similarly recorded.
4. Said Mortgage Agreement shall be executed upon the form provided by the office of the State Land Director, available on the Idaho Department of Lands website.
5. The LENDER may assume all obligations as LESSEE OF RECORD under said lease by submitting Application for Assignment documentation for the State Land Director's approval, and by doing so assumes the lessee's responsibility to pay rent and fees.
6. The State Land Director will promptly notify the LENDER'S correspondent (listed below) of any material breach of the lease agreements by the LESSEE OF RECORD or of any pending cancellations.
7. A twenty-five (\$25.00) recording fee is required for each lease listed on the Consent to Lease Mortgage Agreement. There is no limit to the number of leases that may be secured by a single Mortgage Agreement, provided they are all held by the same LESSEE OF RECORD. Consent to lease forms must be signed, notarized and returned to the office of the Director, Department of Lands, 954 West Jefferson, PO Box 83720, Boise, ID 83720-0050, in duplicate.

LENDER'S CORRESPONDENT: (The below address will become the LENDER's address of record and will be used for all correspondence to the LENDER. Change of LENDER's address must be submitted in writing.)

Name	Street		
City	State	Zip	Phone

SCHEDULE A

<u>LEASE NO(s)</u>	<u>LAND LEGAL DESCRIPTION</u>	<u>LEASE EXPIRATION</u>
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**MORTGAGE AGREEMENT
for
LAND LEASED FROM THE STATE OF IDAHO**

This indenture, made this _____ day of _____ in the year _____ between _____, (address) _____, hereinafter described as BORROWER/LESSEE OF RECORD; **and**

_____, hereinafter described as LENDER; **and**

WHEREAS, the BORROWER/LESSEE OF RECORD is the lessee of certain lands from the State of Idaho, described in Schedule A; **and**

WHEREAS, the LENDER is lending the sum of \$ _____ to the BORROWER/LESSEE OF RECORD.

That the parties to this agreement may cause this instrument to be recorded and any satisfaction or discharge of this agreement at no expense to the State of Idaho.

ACCEPTANCE BY BORROWER/LESSEE OF RECORD:

STATE OF _____)
: ss.
County of _____)

(Signature Borrower/Lessee Of Record)

(Signature Borrower/Lessee Of Record)

On this _____ day of _____ in the year _____ before me a Notary Public, in and for the State of _____ personally appeared _____ and acknowledged to me that _ he _ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Notary Public

Residing at

My Commission Expires

ACCEPTANCE BY LENDER:

STATE OF _____)
: ss.
County of _____)

(Signature LENDER)

(Signature LENDER)

On this _____ day of _____ in the year _____ before me a Notary Public, in and for the State of _____ personally appeared _____ and acknowledged to me that _ he _ executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Notary Public

Residing at

My Commission Expires

NOW WITNESSETH, that in consideration of and for said loan, said BORROWER/LESSEE OF RECORD does hereby mortgage to said LENDER any and all interest in the described lands which said BORROWER/LESSEE OF RECORD now has under lease from the State of Idaho as described in Schedule A.

PROVIDED, not withstanding any other provision:

That any sale or other disposition of the leasehold interest herein mortgaged shall be made expressly subject to any and all interest in the State of Idaho under the lease(s) listed in Schedule A, including but not limited to the right of the State to cancel such lease(s) as provided in said lease agreement (s), and said LENDER hereby acquires no greater interest than the BORROWER/LESSEE OF RECORD has under said lease(s).

That the BORROWER/LESSEE OF RECORD hereby agrees and covenants that it will not further mortgage nor assign its respective interest in the described lands without first obtaining permission to do so from the State Land Director.

That in the event the LENDER or any successor in interest to the LENDER succeeds to the entire leasehold interest now held by the lessee, then the LENDER hereby agrees and covenants to assume all obligations of the lessee under said lease(s) by submitting Application for Assignment of said lease(s).



SCHEDULE A

<u>LEASE NO(s)</u>	<u>LAND LEGAL DESCRIPTION</u>	<u>LEASE EXPIRATION</u>
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**STATE OF IDAHO
DEPARTMENT OF LANDS**

GUIDELINES TO MORTGAGE A STATE LAND LEASE

Idaho State leases are issued to individuals and private entities for a term of up to ten years. Most lease terms begin January 1st and end on December 31st of the expiring lease year. All applications to lease or renew a lease must be filed in the office of the Director of the Idaho Department of Lands before the 30th day of April preceding the date of such expiration. All applications filed within that time frame are considered as having been filed simultaneously. When a conflict arises, an auction is conducted and the highest bidder of a premium, one time only bid is entitled to the lease (subject to approval by the State Land Board.)

A Lessee's interest under an Idaho State Lease can be assigned as collateral for a loan when approved by the State of Idaho. A *Consent to Lease Mortgage Agreement* form and a *Mortgage Agreement* form can be obtained from the Idaho Department of Lands website OR you may call or write us at the Idaho Department of Lands, 954 West Jefferson, PO Box 83720, Boise, Idaho 83720-0050, phone (208) 334-0200.

INSTRUCTIONS:

- Two original, signed copies of the *Consent to Lease Mortgage Agreement* form, one copy of the *Mortgage Agreement* form, and a \$25.00 filing fee for each lease is required to file a mortgage with the Idaho Department of Lands.
- The *Consent to Lease Mortgage Agreement* and *Mortgage Agreement* forms must be filled out completely listing the lease number, the complete land description for all lands to be mortgaged, and the expiration date of the lease in Schedule A. The name and mailing address of the mortgage company's correspondent must be shown on the *Consent to Lease Mortgage Agreement* form.
- The *Consent to Lease Mortgage Agreement* on grazing, cropland or miscellaneous leases expires when the lease expires. If a mortgage agreement is to continue, a new agreement must be executed at the expiration of the lease.
- The Department of Lands will notify the mortgage company of any defaults to a lease, but is not responsible for the Lessee's keeping lease payment current or otherwise defaulting. The lessee will be required to provide the Department of Lands with release of mortgage statements from the lender before mortgaged leases will be assigned to anyone other than the lender.
- The *Consent to Lease Mortgage Agreement* form must be approved and signed by the Director or his agent. The *Mortgage Agreement* is then recorded in Department of Lands records.
- One original copy of the *Consent to Lease Mortgage Agreement* form will be returned to the mortgage company.
- These forms are revised as needed. We request that you obtain and use the most current version of our forms from the website when you submit future requests for mortgage agreements. Please print all documents on 8-1/2" by 11" paper, with no alterations to the text/format of the documents. Please do not submit our mortgage documents on legal-size paper.

If you have any questions regarding this procedure, please contact your local Idaho Department of Lands office or the Idaho Department of Lands, Bureau of Surface and Mineral Resources, 954 West Jefferson, PO Box 83720, Boise, Idaho 83720-0050, (208) 334-0200.